The A. F. of L. Weekly News Service gives news accounts and official interpretations of matters affecting labor according to its industrial, legislative, and judicial fields, and contains other information of benefit to the trade unions movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1919. Entered as second-class matter September 26, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912.

Write Your Senators And Congressmen to Repeal T-H Law

WHOLE NO. 2000 WILLIAM GREEN, *President* WASHINGTON, D. C., TUESDAY, AUGUST 9, 1949 GEORGE MEANY, *Secretary-Treasurer* VOL. 39, NO. 32

As We See It

The following is excerpted from an interview by News Commentator James G. Crowley with Senator Joseph C. O'Mahoney of Wyoming on the AFL's "As We See It" radio program broadcast over the American Broadcasting System:

MR. CROWLEY: This may sound like fantasy, but believe me, it isn't. You and I have been warned repeatedly, but unfortunately, we in the United States are right now on the verge of losing our most precious heritage, our freedom as individual human beings.

I say we have been warned that this could happen, this birth of statism in America, even that it has happened, but it seemed such a remote possibility that we just haven't given it much thought.

And yet, it is coming to pass, or threatens to, the way for it having been all but cleared, first, by the curious conditions under which we live and, second, by some who themselves are deceived, and in turn have deceived many others into looking for it in the wrong direction.

The American people have been propagandized into thinking that the threat of statism in America lies in the international domination of the general welfare programs, advocated by the nation's great labor organizations, the great farm groups, the small business men.

But the threat of authoritarianism or statism, the real threat to your liberties, or mine, comes from the other direction, the impersonal thing in which there may be no especial villain, merely a condition. The threat nevertheless lies in the activities of the monopolists, the oh, so subtle, propaganda campaigns of a comparative handful of men who are opposed to the general welfare programs mentioned, men who oppose these programs for the reason that their own stranglehold on the nation's economy would be broken were these programs put into effect. Now, what is this condition; and who are the villains, if they can be called that, whose activities will strip you and me of our fundamental rights and leave us helpless and stupid as to permit them to do so; men, who in the end, will be stripped of their freedoms, too, although they cannot yet see it?

Now, for the answer to this, the documented answer, I turn to a man whom I am very proud to have as my guest; a man who, as chairman of the temporary national economic committee, has studied the question for years, and is appalled at what he has found. Senator O'Mahoney, first, the monopolist, first, have I overstated the nature of the threat; and second, if I have not, then tell us whence comes this threat, and what to our social and political freedoms.

SENATOR O'MAHONEY. I don't think you overstated the threat, Jim, but perhaps you have given a little too much emphasis to the villain in the piece. I think that we are not to look for monopolists as the ones who are the victims of modern trends which we have not sufficiently understood.

Now, first let me say about the welfare programs which are being endorsed by many organizations like the one that you represent here tonight, the American Federation of Labor—the welfare programs which the federal government adopts and has adopted by votes without regard for partisanship are the results, and not the causes, of the forces which are operating. The great evil of our time is central control over the activities of men. Now, that appears in the economic field. It appears in the political field. The only reason that Hitler came on the scene in Europe, the only reason that Mussolini came on the scene in Italy, the only reason that these totalitarian dictators emerged, there already existed an economic dictatorship.

MR. CROWLEY: And to what extent does that condition exist today in the United States?

SENATOR O'MAHONEY: It exists wherever by reason of modern technological advancement, the improvement of the means of transportation and communication, it is easier and cheaper for the government to handle the economic life from a central group, from a central situation.

Now, the history of the last fifteen years in the United States show that there has been a constantly increasing degree of concentration of control over the assets, the business assets, of the country, also over the employment in America. For example, in 1935, analysis of the income returns filed by all of the corporations which filed income tax reports in that year, showed that one-tenth of 1 percent owned more than 50 percent of all corporate assets. That was in 1935.

Just about two months ago, Dr. A. D. B. Kaplan of the Brookings Institute, which is not a government institution, but a private one, has published by McGraw-Hill. He wrote this book on behalf of the Committee on Economic Development, an association of business executives, and that book, he presented the statistics to show that one-eighth of 1 percent of all the business employers in America employed more than 50 percent of all the workers.

When the Constitution of the United States was drafted; when our government was founded, business was local and individual. Now, the dominant characteristic of business, the dominant characteristic of industry, is the industrial corporation which is owned by one group and managed by another.

MR. CROWLEY: Senator, could I interrupt there a little and feel out just what all this means?

SENATOR O'MAHONEY: Well, just to show you that there is nothing very radical about what I say, I want to call attention to the fact that way back in 1910, when William Howard Taft, the president of the United States, he sent a message to the Congress in which he recommended that Congress should enact what he called a "Federal Charter Law." And in explaining this bill or the need of it, he pointed out that whenever a great corporation grows so big that it can use its power to monopolize trade, fix prices, or to control production, or to divide territory, it is doing a most opolistic thing.

Now, look; if a group of corporations or one group of great power, or one corporation succeeds in defeating competition in fixing prices, or succeeds in restricting production in order to maintain price, you see it is closing the door of opportunity to your group of workers. Now that is the reason why in the United States we have a constant demand for government loans. We have a constant demand for the government to subsidize export, through the RFC, little business and local business.

The reason is that to a greater and greater degree, it is becoming difficult to have private capital invest in new, independent enterprise because such enterprise cannot successfully compete with the constantly concentrating, economic control over business and industry.

In the past, whenever control, economic control was exercised over any group, people could go to new areas to settle. That day is gone. Now, there is no place to go, for a new opportunity. We have to fight out here where we stand. There is no new land to which to go. Therefore, we have got to keep opportunity open for the individual, for the group, where we head straight into government management of the whole shebang.

MR. CROWLEY: And until government succeeds in fixing prices, instead of vice versa, we do not hold opportunity open to all of our people, is that right?

SENATOR O'MAHONEY: That is correctly the point.

MR. CROWLEY: Are the existing antimonopoly laws inadequate?

SENATOR O'MAHONEY: I think they are inadequate because they take too long. They are based upon the punitive system instead of on the preventive system. That is why I have introduced a bill to amend the Federal Trade Commission with the power to prevent monopolistic mergers. If these great companies continue to merge, one with the other, the opportunity for little business and local business, the opportunity for employment will gradually disappear.

For Use in Labor Day Editions:

ILO Director Pays Tribute To AFL's World Influence

By DAVID A. MORSE
Director-General, International Labor Office

Thirty years ago this year, Samuel Gompers, president of the American Federation of Labor, extended the helping hand which made possible the summoning of first conference of the International Labor Organization in Washington.

Mr. Gompers saw clearly that here was the modest beginning of something great and permanent—a world parliament of workers, employers and government representatives seeking to bring about the economic stability and social justice which are the true foundations of peace.

Fifteen years after that first meeting in Washington, the United States became a member of the ILO and ever since has been sending to ILO conferences a procession of distinguished leaders of labor, industry and government to assist in furthering these noble aims.

From the AFL group I need mention only two—Bob Watt and Frank Fenton—to remind you of the type of unselfish men who literally sacrificed their lives so that men of all countries, through their efforts, might find the world a better place in which to live. Their fine tradition of international service is being ably continued in the present by the United States member of the governing body, George M. Harrison.

It is only fitting and proper that the AFL should be the first American director-general of the organization to visit Europe after the war to help create and build should dedicate his remarks to Sam Gompers, Bob Watt and Frank Fenton, and to all the others who from the beginning 30 years ago have helped the ILO to help the common man.

The unions of North America, whose holiday it is, have much to be proud of in their growth and accomplishments at home. They also have much to be proud of in the quality of ambassadors they send to represent them overseas.

Labor Editor Visits Truman

Editor Ed Wall of The Paper Maker, published by the International Brotherhood of Paper Makers, was a board member of the publication to President Truman at the White House. The occasion was the first anniversary of The Paper Maker. Wall is pointing to a story showing that last September President Paul L. Phillips of the IBPM introduced Mr. Truman as a candidate for President.

UN Probe of Slave Labor Voted Down After Communist Nations Bar Inquiry

Geneva.—The United States lost its struggle for a United Nations inquiry into the practice of slave labor.

On the critical amendment the vote in the Economic and Social Council was 10 to 5 against the United States. The council adopted an amendment to the United States resolution, for which the United States delegation would no longer vote, that merely requested the Secretary General to ask the member countries again, as he had done earlier this year, whether they would let the United Nations investigate forced labor in their countries.

Everyone knows what answers the Soviet Union and other Communist states, against which heavy charges have been laid in the debate, will give to such a request.

Britain, despite having launched a large-scale propaganda campaign against the Soviet Union for fostering mass forced labor, voted against the United States proposal for a commission of inquiry. The ostensible grounds for her opposition were that the proposal would do no good unless the commission could enter all countries.

In an earnest, eloquent plea to the other members of the council against this philosophy, Leroy D. Stinebower of the United States asserted this thesis completely. He said the fact that the power would not do everything it wanted to do did not mean that it should do nothing about this evil. "The United States," he said, "is not ready to refuse to act in any issue of this kind." He said the United States position is the proper one in social issue ever to come before the council.

Electrical Workers Win Vacation Pay In Award Against Runaway Employer

By ARNOLD BEICHMAN,
N. Y. Correspondent for AFL Weekly News Service

New York.—An attempt by a large corporation to deprive its employees of accrued vacation benefits was thwarted in an important decision handed down through the American Arbitration Association.

The adversaries were Local 3, International Brotherhood of Electrical Workers, and the Radio Corporation of America, which moved its plant out of Pennsylvania thereby throwing 600 New York workers out of jobs.

The union contended that since the contract eligibility date for vacation allowances was July 1, 1949, and since they had closed down the plant several months earlier, vacation allowances need be paid out.

The union lawyers argued that through no fault of the workers, they were prevented from receiving the benefits and that the plant shutdown which they have already earned.

In his decision, Arbitrator Sidney P. Simpson held that vacation pay "should be regarded as additional compensation for work already performed in order to enable the employe to enjoy a vacation." He continued:

"It is my opinion that the claims for payment of accrued vacation benefits are claims for wages already earned, so long as the employe has fulfilled the conditions precedent to the contract.

"Unilateral action on the part of the employer in closing down the plant, cannot void the rights which have been previously acquired under the contract.

"To hold otherwise would permit an unjustified burden on the employer, by requiring it to continue in business despite financial reverses. Such, however, is not the fact. The only burden based on the employer is to pay the employe for something which they have already earned."

Union Establishes Cornell Scholarship To Honor Services of Father Kelley

Ithaca, N. Y.—Establishment of an industrial scholarship at Cornell University in honor of the Rev. William J. Kelley of Buffalo, former chairman of the State Labor Relations Board, was announced today.

Funds for the scholarship were provided by Local 3 of the International Brotherhood of Electrical Workers, AFL, of New York City as a token of their esteem for Father Kelley, who last year headed an impartial board which conducted the union's biennial election.

Father Kelley refused any monetary compensation for this work as inconsistent with his vows as a member of the Order of Oblates of Mary Immaculate. As a result the scholarship idea was proposed by the union and arrangements worked out with Cornell's School of Industrial and Labor Relations.

"Father Kelley couldn't have been approached with anyone's money, or he might have been given $20,000,000," one of the officials of the union said.

Under the terms of its arrangement with the university, the union has already provided the sum of $1,200 for the first scholarship winner, still to be selected, who will enter school this fall. The award will be made each year so that eventually Local 3 will be paying for four students an annual outlay of $4,800.

Scholarships are to be awarded regardless of race, creed or religion or country of national origin. They will, however, be limited to the sons and daughters of the 25,000 members of Local 3. Selection of the winners is entirely in the hands of Cornell University. More than 175 applications are already on file.

W. R. Trotter, Former ITU Official, Dies

New York City.—William Robert Trotter of 362 Riverside Drive, former vice president of the International Typographical Union and original organizer and director of its bureau of statistics, died in a nursing home here after a long illness. His age was 79.

Born at Morpeth, Northumberland, England, he first was apprenticed to a book printing firm, and while in that capacity became a Methodist lay preacher. He volunteered for service in the Boer War in 1901, and later went to live in Winnipeg, Canada.

Mr. Trotter rose to prominence in labor circles, and in 1907 was appointed by the Canadian Trades Congress as a special commissioner in Britain to study the activities of societies active in the promotion of emigration to Canada.

In 1925 he was elected 2d vice president of the ITU at Vancouver, B. C., and shortly after came to the United States to work at the ITU headquarters in Indianapolis. Subsequently, Mr. Trotter organized and became the first director of the statistics bureau, remaining in the director's post until 1939, when he returned to live at Vancouver. Three years later he came to New York to live with a son.

Mr. Trotter was many times a delegate to conventions of the Trades and Labor Congress of Canada. In 1907 he was fraternal delegate to the British Labor Party and the Scottish Trades Congress. He was an ITU delegate to the American Federation of Labor conventions from 1927 to 1935.

He leaves his wife, Mrs. Ellen Boyd Trotter, and a son, Ernest, of Port Jefferson, L. I., editor of Printing Magazine.

AFL Council Set to Take Up Political Drive, Job Trends

IT WILL BE A DIFFERENT STORY IN 1950

House Debating Minimum Wage Bill To Lift Federal Standard to 75 Cents

Washington, D. C.—The House of Representatives opened debate on the second major labor issue of the session—the proposal for a minimum wage of 75 cents an hour.

The Administration bill, designed to redeem Democratic promises of a 75-cent minimum, is sponsored by Representative John Lesinski, Democrat, of Michigan, chairman of the Labor Committee. It would amend the Labor Standards Act, written in 1938, which set the minimum wage at 40 cents.

A North-South coalition is supporting the Lucas substitute featuring a flexible minimum starting at 65 cents. Sponsor of the substitute is Representative Wingate H. Lucas, Democrat, of Texas, member of the Labor Committee, who told the House that his bill alone would give small, local, retail and service business the protection they needed.

In general, the situation parallels that of the House fight for repeal of the Taft-Hartley Act earlier this year. A Democratic coalition of labor backed the Wood bill as a substitute for the Lesinski repealer. The House coming to grips with the merits of the issue, so they that the leadership abandoned attempts to pass the Lesinski bill.

A Republican leader acknowledged that his group was not as solid for the Lucas bill as it had been for the Wood bill when the issue was labor management relations. He said privately that he would not be surprised if the seven-cent bill were approved.

Administration forces also say they have more support among Southern Democrats than they had on Taft-Hartley repeal, but they hesitated to predict approval of the seventy-five cent level.

Chicago Labor Hits Cuts In Relief Aid to Children

By DAN SMYTH
Chicago Correspondent for AFL News Service

Chicago.—Relief in Chicago and Illinois is protesting vigorously against a 10 percent cut in relief payments to 5 percent of the budget for dependent children, ordered by the Illinois Public Aid Commission, effective Sept. 1.

The order to cut, paradoxically, results from rising unemployment and increased demands for relief. The commission states that no other available funds among a larger number of needy persons. The consequences, according to local relief administrators, will be a serious reduction in diet for 92,000 relief children, 84,804 dependent children and an unknown number of mothers of dependent children.

In Illinois, relief budgets are fixed biennially by the legislature. Appropriations are made on recommendations of a budgetary commission, based on estimates of need prepared several months before the appropriation is finally voted.

The current years, the second appropriated for under the law that it ran out, and a deficiency appropriation was voted, if necessary, to finance the last few months. But the new Illinois regular administration is committed to a balanced budget, and the IPAC is trying to live within it, stick.

For the biennium ending June 30, 1951, the state legislature appropriated $256,455,000 for public aid to the needy, including relief. The figure includes $158,307,929 from state revenue and $107,197,071 federal funds.

Of the $255,455,000, about $42,000,000 was set aside for general relief purposes, $96,000,000 for ADC, and the rest for old age pensions, blind assistance and administrative costs. But the biennium began while unemployment was going up.

For July, the IPAC authorized release of $1,799,834 to Chicago and other local governments for general relief purposes. The August allocation will run about $2,068,124. If the rest of the appropriation were divided evenly among the remaining 22 months, the amount available would be only $1,762,940 a month. So the IPAC ordered the cut.

Alvin E. Rose, Chicago relief commissioner, said the 10 percent slash in state grants would mean a cut of 20 to 25 percent in the food budget of 45,619 dependent children. "Six cents per meal per person is current, light and fuel couldn't be cut.

Joseph L. Moss, Cook County welfare director, said 35,277 children would have to eat less in his county because of the 5 percent ADC cut. Both Rose and Moss said budgets already had been figured at the minimum necessary to maintain health. The cut will mean a dietary deficiency.

Earl J. McMahon, secretary-treasurer of the Illinois State Federation of Labor, and William S. Kemp, executive secretary of the Federation of Labor, asked Gov. Stevenson to rescind the cut.

The labor leaders suggested that the needs of the relief clients and dependent children be met first, and the deficiency in the budget be made up from the surplus expected in the state treasury. Also, the position of having millions of dollars in the cash drawer without being able to give our people enough to eat."

Toronto Meeting Also Will Draft Report To Convention

Toronto, Canada.—The Executive Council of the American Federation of Labor will meet here Aug. 15 to draft its report to the forthcoming annual convention of the AFL and to consider pressing economic and political problems.

It is believed likely that public interest in the work of the committees of the AFL leaders will be centered on the preparation of plans and strategy to expand the federation's political activities in anticipation of the 1950 Congressional election campaign.

The Administrative Committee of the AFL's political arm, Labor's League for Political Education, will hold an important conference during the council session to decide on how to raise funds for the 1950 campaign and where to concentrate campaigning activities.

A recent Washington conference of AFL and state representatives of the league recommended to the Administrative Committee that it call upon the members of the AFL to contribute to finance the campaign.

Individual voluntary contributions, rather than union per capita assessments, are the principal target of the Taft-Hartley Act's restrictions on the political activities of unions.

Endorsement of a strong candidate to oppose Senator Robert A. Taft's bid for re-election in 1950 is likely to be taken up at the league's session, and Governor Frank Lausche, Democrat, of Ohio will highlight the 1950 campaign, with labor expected to duplicate its successful campaign against Senator Taft (Rep.), Ohio, in 1946.

Aside from political developments, other important topics to be dealt with at the Executive Council meeting include the economic trend in the United States and plans for the establishment, the year of a strong, anti-Communist AFL organization of free trade union centers.

Mushrooming unemployment is expected to compel organized labor, especially in some industrial areas, to formulate plans for meeting the crisis because of a business decline. However, reports from most sections of the nation indicate a revival of "business" activity. Paradoxically, total employment remains at near-record levels, while unemployment continues to increase. The council will inquire into the extent to which price policies are affecting production and will discuss the effects of "recession" propaganda on labor's attempts to negotiate wage increases.

Should President William Green not take up with the council the onerous task of drafting section by section its voluminous report to the St. Paul AFL convention, it is expected that interest to labor which have taken place since last October.

Secretary-Treasurer George Meany is expected to report on his trip to Europe and on the plans agreed upon at a Geneva conference of top leaders in London this coming November when the new world organization of free trade unions.

Senate Group For New Housing Bill

Washington, D. C.—The Senate Banking and Currency Committee approved the second half of the Administration's ambitious housing program, a bill setting up $4,510,000,000 in federal credit and subsidies and also upon the construction of private building.

The measure, which is expected to pass the Senate, calls for building of almost 1,500,000 housing units a year, principally low- and middle-income families, was approved by a vote of 11 to 4. It is a bitter fight when the program comes up for passage.

AFL ELECTION TRIUMPHS —DOUBLE TOTAL OF CIO

Washington. — The National Labor Relations Board reported that AFL unions asked for and won votes more than twice as many collective bargaining elections as the CIO between April 1 and July 1.

In direct competition the AFL won 44 to the CIO's 42 contests. The AFL won 828 units of which 443 were uncontested by another union. The CIO had 208, of which 146 were uncontested.

HUTCHESON URGES LABOR TO VOTE POLITICAL DRIVE

Bend, Ore.—Speaking to a joint convention of 3 district councils of the United Brotherhood of Carpenters and Joiners, President William Hutcheson urged stronger political action on the part of labor for 1950.

Hutcheson told the carpenters that it was especially necessary to get the vires and relatives of union members registered so that a full labor vote could wipe out the present antilabor majority in the Senate and House.

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AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

SUPPLEMENT

WILLIAM GREEN, *President* — WASHINGTON, D. C., FRIDAY, AUGUST 12, 1949 — GEORGE MEANY, *Secretary-Treasurer*

Write Your Senators And Congressmen to Repeal T-H Law

LABOR DAY

By GEORGE MEANY

There are 3 important holidays which belong to the American people. When we understand the meaning of these holidays, we have one of the keys to an understanding of our country and our countrymen—what makes us what we are and why we are regarded by people everywhere as the hope of the world.

First among these 3 exclusively and characteristically American holidays is the Fourth of July. The meaning of that holiday is simple but important. It means that the American people are a free and independent people, a self-governing people, a people who cannot be deprived of the most basic of human rights—life, liberty and the pursuit of happiness.

GEORGE MEANY

Another holiday which is all-American is Thanksgiving Day. This holiday is now more than 300 years old. Its significance is clear. Thanksgiving Day means that we as Americans pay homage to God, that we are grateful for the blessings bestowed upon us by Him. We celebrate Thanksgiving Day not in the place but in addition to the traditional holidays of a religious nature which are observed by Americans, each in accordance with the tenets of his own faith.

Between the Fourth of July and Thanksgiving Day there is a holiday which is younger than either but which takes its place with them as a day whose existence goes far toward explaining the nature of our country and the nature of our people. This day is called Labor Day. This is the day when all America pauses to pay its sincere tribute to labor, to the dignity of labor, to the men and women of every honorable occupation who built and are still building a great and successful democracy. Labor Day means that in America toil is respected by the workers themselves, by all other groups in the population and by the nation as a whole. Labor's self-respect and the honor accorded to labor by others are two of the essential ingredients of the American spirit—a spirit recognized by other peoples everywhere.

Labor Day in 1949 will be a day when labor will be honored, but it should also be a day when we who are workers give thought to the problems which confront us and the tasks which lie ahead of us. We have come a long way since the first Labor Day, we have come a long way within the past few years, but we must continue to go forward—and we are not going forward if we permit pride in our past achievements to make us complacent.

On this Labor Day we should be formulating plans for moving forward during the next 12 months on each front which is important to labor and economic front, as we have been doing since the inception of the American Federation of Labor in 1881. We must move forward on every front.

When our movement came into being, the workers of the nation were in economic bondage. Those were the days when the employer had the power, often exercised, to fix the wages of faithful and productive service for many years. If the worker suffered injury while on the job, the employer disclaimed all responsibility. If there were no workmen's compensation laws in those days, the incapacitated worker and his family were soon face to face with starvation.

Not only have we advanced beyond the primitive circumstances of 70 years ago, but we have made an amazing advance over what it was today. In most cases far below the minimum requirements of health and decency. Then there was the spectacle of those who managed to get by so long as their jobs were secure, without interruption, but who live in apprehension from day to day and week to week because the conditions of their employment are such as to breed insecurity and uncertainty.

Trade unionism made the struggle against those of us who are already organized. In addition, we must bring trade unionism to the many millions of workers who unfortunately still exist. We may well dedicate ourselves, on this Labor Day of 1949, to giving every possible assistance to the National Farm Labor Union in its organizing of farm workers.

The American labor movement and, indeed, all Americans have a big job to do in the political field, as well. The economic issues which are now interest in political affairs is greater than it ever has been—but the interest must be broadened and deepened accordingly.

The enactment of the Taft-Hartley law and antilabor laws in some of the states, plus the pronouncements of the United States Supreme Court making clear that labor must look to the legislative bodies and not to the courts for relief from injustice, have aroused and educated the state legislatures to the importance of intelligent and effective use of the power at the ballot. We should be never before that the wage-earner's liberty and pursuit of happiness can be usually frustrated if antilabor, antilibertal, antidemocratic employers are permitted to place in the legislative halls and the state legislatures those who are representatives only of the selfish, greedy interests of the most reactionary elements of big business.

Understanding the situation, the workers have created Labor's League for Political Education and since its establishment the League throughout the forty-eight states. But the task of political education has only begun. Much hard work will have to be put in and many election victories will have to be won before the workers of America can protect all the toilers from around their necks by the agents of reaction.

Let us be frank with ourselves. Let us face reality. The establishment of Labor's League for Political Education and the results of the 1948 elections represents only the first steps on the road to victory. Some idea of the magnitude of the educational task ahead may be discerned in the fact that in the recent Democratic primary in Virginia where the primary is, in effect, the election—the victorious candidate received the votes of less than 9 percent of the registered voters and less than 7 percent of the qualified voters. In last November's Presidential election, only about half the people who should have participated actually went to the polls.

On this Labor Day let us resolve to discharge our responsibilities to the fullest both as workers and as citizens. The finest governmental machinery ever devised is the great blessing in the possession of the American people—but it's up to us to say whether this machinery will run properly or break down. The puppets of big business have had things their own way for so long that the machinery is full of grit and rocks right now. That mischief must be undone.

In the drive for restoration of government of, by and for the people, we must invite and welcome the cooperation of all other groups in our population who place their devotion to American principles of freedom and justice first in their hearts. We need the help of the women of America, the wives and daughters who are always sympathetic to a just cause when the facts are made available to them. We also need the help of the enlightened farmers of the nation, whose well-being and advancement are tied closely to the economic and political conditions of the workers in the cities, their largest and most constant market.

With energy, sincerity and ingenuity, we can and will perform the big and tough tasks which lie before us.

LABOR DAY 1949

Sharp Rent Increases Impel Control Move In New York

By ARNOLD BEICHMAN
New York Correspondent for AFL News Service

New York.—Millions of tenants in New York City, many of them union workers, are up in arms over the action of federal rent control authorities here who are granting landlords rent increases up to 50 percent.

So widespread is the fear that the area rent directors will continue on this "give-everything-to-the-landlord" course, that Joseph T. Sharkey, vice chairman of the city council, introduced legislation to limit rent increases to 15 percent. It was promptly endorsed by Mayor O'Dwyer.

The Manhattan Area Rent Director, Francis R. Johnson, has persistently refused to open the files of his office to newspapers. The result is that nobody knows the percentage of increases he has granted.

The big howl from tenants who have been boosted after a cursory notice from the federal rent authorities is that landlords of buildings where services have degenerated have gotten whopping increases.

Technically, the rent increase procedure is this. The landlord files a "bleeding heart" petition and submits his books for an audit. In the meantime, the tenants to be chopped-up are told they can file objections if they want to. They often know what the landlord is asking for, except an increase. The average tenant doesn't know what to say in his reply and even after he does file a reply, he never knows if his material and evidence mean anything or not. All he knows as a tenant is that the landlord is around to collect a higher rental which is retroactive to the date of the landlord's filing for an increase.

Mr. Sharkey said that a study of the federal "net income" formula operation has convinced him that the new Rent Control law has resulted in substantial increases as high as 50 percent. He said:

"Some landlords who have reduced services to the bone and have no real adequate basis for increases, are receiving increases under this new formula and some in excess of what is fair and reasonable."

Mr. Sharkey's amendment would give the city's Temporary Housing Rent Commission the power to keep rent rises from exceeding more than 15 percent of the date of July 1, 1947.

A second point in his program would be passage of a city council resolution asking Congress to limit increases nationally to 15 percent.

At a time when the cost of living is showing signs of rising up, these rent increases will inevitably work hardships on workers in an area, which is already beginning to feel the effects of unemployment.

Ball Got Lobbying Fees From Two Corporations

Washington, D. C.—Former Senator Joseph Ball has recently picked up at least two fees for lobbying for big corporations, it was revealed by "Labor", publication of railway labor.

The ex-Senator from Minnesota, who was one of the foremost supporters of the Taft-Hartley Act and in whose state the anti-labor reduction last year organized labor played a major role, was reported to have received part of the fee for lobbying paid by the General Motors Corp. and the General Electric Corp.

Ball's significant activities were revealed in a report filed by Gerald D. Reilly, former solicitor for the Department of Labor who has since hired out to management as a tough foe.

For the second quarter of this year, Reilly said he was paid for lobbying $7,264 by General Electric, $6,000 by Pittsburgh Consolidation Coal Co., Pond Creek Pocahontas Coal Co. and $1,200 by the Printing Industry of America. This was the entire fee for the three-month period.

However, in reply to inquiries from "Labor", Reilly said he had paid $1,727.50 of the General Electric fee and the same amount of the General Motors fee to Ball, who, he explained, was temporarily on his payroll.

Use of Non-Union Paper For U. S. Bills Assailed By Sens. Douglas and Neely

Washington.—Two more United States senators called for the use of union-made paper in federal currency when they and Douglas of Illinois and Matthew M. Neely of West Virginia.

They added their support to Sens. Charles W. Tobey of New Hampshire and H. Humphrey of Minnesota, who earlier demanded that the government stop using scab paper in money.

"I can see no good reason why our government should not have its money printed on union paper," Sen. Douglas said in an interview with The Paper Maker, published by the International Brotherhood of Paper Makers (AFL).

"We are convinced this will advance the security, welfare and living standards of workers and promote industrial peace.

"Union men print our money. Our paper purchasing practices should not work at cross purposes with those objectives.

"Union paper I am confident is as good or better than nonunion paper, and I believe that as a government of distinction we should switch—to union paper."

Agencies Told To Spend Where Jobless Rate Mounts

Washington.—The White House instructed government agencies to channel their spending where possible into nine areas where unemployment is now 12 percent or more of the available working force.

The move was in line with the plan outlined in President Truman's midyear economic report looking to emergency action in areas where idleness is becoming a problem.

The White House letter was signed by John R. Steelman, assistant to the President.

The sections in which Mr. Steelman asked the various agencies "to take actions to modify, within the limits of existing law, their procurement, construction and other activities where it is determined to be feasible," include: New Bedford, Mass.; Worcester, Mass.; Providence, R. I.; Waterbury, Conn.; Bridgeport, Conn.; Utica and Rome, N. Y.; Scranton and Wilkes-Barre, Pa.; Muskegon, Mich., and Knoxville, Tenn.

In addition to the nine areas covered, it said that several others—including Lawrence, Mass., and Cumberland, Md.—fall into this category, but detailed reports have yet to be received on these.

The instructions from Steelman were the first in which the government has sought to pinpoint its spending to meet economic needs and follows a series of nation-wide studies begun by the Commerce Department on the employment situation.

The instructions went to Secretary of Defense Johnson, the General Services Administration, other cabinet departments and Atomic Energy Commission, Economic Cooperation Administration, Housing and Home Finance Agency, Maritime Commission, Reconstruction Finance Corp., Tennessee Valley Authority, Veterans' Administration and Federal Security Agency.

Social Security Improvements Approved by Key House Unit

WRONG TARGET

Benefits Increased And Coverage Broadened In Revised Bill

Washington, D. C.—At last the House Ways and Means Committee has given its approval to a new Social Security bill which increases benefits and raises the coverage in its scope to cover an additional 11,000,000 persons.

AFL President William Green hailed the committee's action as a distinct step forward in the long-overdue liberalization of the Social Security system, but deplored the fact that the House group had weakened and modified some of President Truman's recommendations.

The legislation now goes to the House for action and its adoption is likely before the end of the session. However, it is feared that Senate action may be delayed until the 81st Congress opens its second session next year.

Under the bill, present benefits would be increased from $1 to $1.50 percent, a recognition of the pitifully inadequate purchasing power the law provides.

The increased coverage includes 4,000,000 self-employed persons whose net annual earnings exceed $400; some 4,000,000 state and local government employes who can be covered if their states enter into federal agreements; some 1,000,000 employes of religious and nonprofit institutions, if those institutions themselves; 750,000 domestic servants not employed in their homes; 1,100,000 federal employes who are not working under the civil service retirement programs and a miscellaneous 500,000 others, including persons employed by Americans outside this country.

Omitted from inclusion in the Social Security program under the committee bill were 8,000,000 farmers and farm workers.

The tax schedule approved by the committee calls for gradual increases from 1950 of 1½ percent to 2 percent in January. The wage base for taxation was lifted from $3,000 to $3,600.

Commenting on the committee report, Mr. Green said:

"We are very pleased by the announcement that the Ways and Means Committee had agreed to extend coverage of social security to about 11,000,000 new persons. We are also happy to learn that the committee has agreed to lift the level of benefits on an average of about 80 percent as well as to make other increases for the lowest benefit groups. Our only fear is that the increases tentatively agreed to by the committee was the most that could be obtained of the system to workers who are permanently and totally disabled.

Mr. Green expressed some disappointment that the coverage was not also extended to farm workers. He pointed out also that raising the wage base from $3,000 per year to $3,600 fell short of the goal set by the American Federation of Labor for the same purpose. The rates of wages that were covered by the $3,000 figure in 1935.

"However," Mr. Green observed, "the committee has done well to recognize the necessity of changing the wage base from time to time and benefits are computed in relation to rising wages. We support this principle and we are glad the Ways and Means Committee accepted it. While the benefits for the higher-paid workers were raised as much relative to the American Federation of Labor's request, the increase recommended by the committee go a long way in the right direction.

"The committee has worked hard for 18 months and we believe that they are recommending should be speedily adopted by the House and Senate," the statement of the AFL president added. Millions of older people and the widows and children of deceased workers are desperately in need of a liberalized social security program."

Doherty Pledges AFL Will Back Drive To Wipe Out Racial and Religious Bias

Washington, D. C.—William C. Doherty, president of the National Association of Latter Carriers, pledged the full-time support of the AFL in American Federation of Labor" in the fight to eliminate racial and religious discrimination from American life.

Addressing the National Catholic Welfare Conference here, Mr. Doherty, who is also an AFL vice president, assailed as false recurring charges that the unions affiliated with the Federation discriminate against negroes.

In particular, Mr. Doherty challenged the statement made by Edwin G. Brown, director of the National Negro Council, before a Senate committee to the effect that 17 AFL international unions, by explicit provisions of their constitutions, discriminate against negroes.

That is not true, Mr. Doherty declared. Of the 107 national and international unions affiliated with the AFL, he said, only one contained any restrictions in its constitution regarding membership. The constitution of only one additional union, he added, provided for a special class of membership for negroes.

Mr. Doherty emphasized that the AFL has no control over the membership policies of its affiliates, but he declared that the AFL has used its influence to fight discrimination and to eliminate any color bar or creed.

"The union's aim," he said, "is the organization of the unorganized, so that workers everywhere can attain higher standards of living. In carrying out this aim, the AFL is interested only in a man's job, not his color or creed.

"About 10 percent of the AFL membership, consists of negroes. Many hundreds of thousands of AFL members are Jews. In fact, the entire membership is typical of the great melting pot of the many races and nationalities which compose American.

Actually, it is only fitting that an organization which was founded by Samuel Gompers, an immigrant Jew, and which owes its name to a motion by Peter J. McGuire, pioneer Irish negro delegate, should espouse the cause of equality and justice for all."

Farm Labor Union Hits Pending Pact To Import 35,000 Mexican Laborers

Bakersfield, Calif.—"The new agreement between the Department of State and the Mexican Government to import 35,000 Mexican farm workers is a carefully timed black-room deal to break down labor standards and wages in California."

So the statement was made today by Hank Hashwar, Western Director of Organization, and Ernesto Galarza, Director of Research and Education of the National Farm Labor Union, AFL. At the same time they sent telegrams to top officials throughout the state.

The statement was released when the union officials received word that the Department of State and representatives of the Mexican Government were preparing to sign a new accord for the importation of Mexican Nationals into the United States. It was reported that 80,000 men are waiting just south of the border for the signing of the agreement.

Galarza and Hashwar said:

"California is one of the states most severely hit by unemployment and underemployment. Thousands of farm workers are working part time, barely

They are already looking ahead with fear to the next winter. Local workers from California to apply for jobs are told to move on because there are no jobs. Yet Mexicans continue to work for less.

"We know that the Associated Farmers invite this ticket. They want to put over a prevailing-misery standard under the disguise of a mythical prevailing-wage theory. They want to break the two-year-old strike on the peach, fruit and grape crops by the fact that this agreement has been negotiated behind the backs of U. S. immigration laws, inter-American agreements and the Mexican constitution.

"It is no wonder that neither government would release in advance the text of the new agreement.

"The National Farm Labor Union is going to stand and fight on this issue. We have today telegraphed protests to Secretary of State Acheson, Governor Warren, Mexican Consul General Salvador Dubart, Representative Lesinski and Senator Connally."